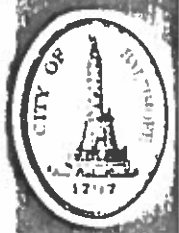


FROM	NAME & TITLE	Alfred H. Foxx, Director	CITY OF BALTIMORE <b>MEMO</b>	
	AGENCY NAME & ADDRESS	Department of Public Works 600 Abel Wolman Municipal Building		
	SUBJECT	Amendment No. 1 between Baltimore City and Harford County- Raw Water Supply		

DATE:

TO

July 6, 2012

Honorable President and Members  
Of the Board of Estimates  
Room 201, City Hall

Dear Mr. President and Members:

**Action Requested of the Board of Estimates:**

Your Honorable Board is requested to approve an Amendment No. 1 to the agreement Between Baltimore City and Harford County for Raw Water Supply and between the Mayor and City Council of Baltimore.

**Amount of Money and Source of Funds:**

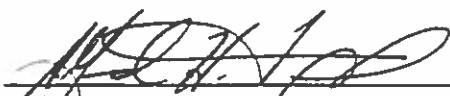
Not Applicable

**Background/Explanation:**

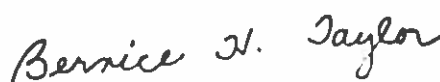
Pursuant to Amendment No. 1, the City agrees to sell an additional 5 mgd of Raw Water Capacity (for a total of 25 mgd) to Harford County. The County is to pay the City an additional connection charge of \$445,484.00. Charge will be made in a lump sum payment within thirty (30) days after this amendment has been fully executed and approved by both parties. Attached, please find six (6) original sets of the agreement. It has been reviewed and approved for legal sufficiency by the City Solicitor's Office.

**MBE/WBE Participation:**

Not applicable

  
Alfred H. Foxx, Director

Approved by the Board of Estimates:

  
Clerk

Date JUL 25 2012

AMENDMENT NO. 1 TO  
AGREEMENT BETWEEN BALTIMORE CITY AND HARFORD  
COUNTY FOR RAW WATER SUPPLY  
BY AND BETWEEN  
MAYOR AND CITY COUNCIL OF BALTIMORE  
And  
HARFORD COUNTY, MARYLAND

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This Amendment No. 1 to the AGREEMENT BETWEEN BALTIMORE CITY AND HARFORD COUNTY FOR RAW WATER SUPPLY (this "Amendment No. 1", or this "Amendment") is entered into on JUL 25 2012 2012 by and between the Mayor and City Council of Baltimore, a municipal corporation of the State of Maryland, acting through its Department of Public Works (hereinafter referred to as the "City") and Harford County, Maryland, a body corporate and politic of the State of Maryland (hereinafter referred to as the "County").

RECITALS

WHEREAS, the City and the County entered into an AGREEMENT BETWEEN BALTIMORE CITY AND HARFORD COUNTY FOR RAW WATER SUPPLY on February 3, 1993 (the "Original Agreement"), for the purpose of providing water to the County, defining the terms under which the City will provide the water and defining each party's responsibilities pursuant to the water transmission; and

WHEREAS, by mutual agreement, the parties agreed that the County shall have the option to purchase an additional 10 mgd (for a total of 30 mgd) from the City if the City in its sole judgment determines that it is able to supply the additional 10 mgd without materially affecting the ability of the City to supply its or other users' projected water supply demands; and,

WHEREAS, upon the County's purchase of additional water from the City, the County agreed to pay the City an additional connection charge, calculated using the procedures in the Original Agreement; and,

WHEREAS, the County notified the City of its intent to exercise its option to purchase an additional 10 mgd of raw water from the City in a June 1999 letter from Harford County Executive Harkins to Baltimore Mayor Schموke, a copy of which is attached hereto as Exhibit A; and

WHEREAS, the City now agrees to sell an additional 5 mgd of water to the County; and

WHEREAS, the parties also wish to amend the Original Agreement in order to, among other things, to specify the additional connection charge to be paid by the County to the City as a condition of the County's purchase of additional water; and

WHEREAS, nothing in this Amendment is intended to modify or limit in any way the City's sole discretion to determine its ability to supply additional water; and

WHEREAS, the parties intend that this will be the final amendment to the Agreement regarding the quantity of water to be sold to the County pursuant to the Original Agreement; and

WHEREAS, all acts, conditions and things required by law to exist, to have happened and to have been performed precedent to and in connection with the execution and delivery of this Amendment No. 1 do exist, have happened and have been performed in due time, form and manner as required by law and the parties hereto are and have been duly authorized to execute and deliver this Amendment No. 1.

NOW, THEREFORE, THIS AMENDMENT WITNESSETH: that in consideration of the promises contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

#### ARTICLE 1

Section 1.01. County's Purchase Option. Section 5 of the Original Agreement is amended and restated to read as follows:

"5. The City agrees to sell to the County 25 mgd of raw water as described herein. The sale quantity of 25 mgd is defined to mean that the County is limited to a maximum withdrawal of 25 mg in any 24 hour period. The County shall have no further option to purchase any additional water from the City under this Agreement, and any other provision of this Agreement concerning such an option, including Sections 8, 9 and 19, except as specifically provided herein is of no further force and effect. Nothing herein, however, shall be construed as prohibiting or discouraging the City and the County from entering into negotiations at any time for the purchase of water

by the County from the City under a new agreement, at the City's sole discretion."

Section 1.02. Additional Connection Charge. Pursuant to Sections 8 and 19 of the Original Agreement, the County agrees to pay the City an additional connection charge of \$445,484. The additional connection charge will be made in a lump sum payment by the County to the City, payable within thirty (30) days after this Amendment has been fully executed and approved by both parties.

Section 1.03. Capital Costs. Pursuant to Article 11 of the Original Agreement, the County agreed to participate directly with the City in paying the capital costs for improvements or repairs to the Susquehanna system. The City has incurred and will incur capital costs for the improvements to the Deer Creek Pumping Station (the "Project"), including costs arising under Contract 1168. The City and the County hereby agree that the County shall pay an amount equal to 12.19% of the costs of the Project, based on the County having an increased raw water capacity of 25 mgd. As of the date of this Amendment, the City estimates that the total Project cost is \$33,208,703, but such amount may change as the Project is performed. The County's 12.19% share of the estimated Project cost is \$4,048,141. With respect to capital costs for improvements or repairs to the Susquehanna system other than the Project, the County's participation shall continue to be based on the proportions shown on Exhibit 1 except that in making such calculation the number in the column headed "County Capacity" shall be deemed to be twenty-five (25) mgd instead of ten (10) mgd. The County shall pay the amounts billed by the City to the County from time to time for the County's share of the Project costs within thirty (30) days after the City sends the bill to the County.

## **ARTICLE 2 MISCELLANEOUS**

Section 3.01. Original Agreement. The Original Agreement shall remain in full force and effect except as amended hereby.

Section 3.02. Binding Effect. This Amendment No. 1 shall inure to the benefit of and shall be binding upon the County and the City and their respective successors and assigns.

Section 3.03. Severability. In the event any provision of

this Amendment No. 1 shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof, and the invalid or unenforceable provision shall be reformed and revised to be enforceable to the full extent permissible under the laws of the State.

Section 304. Execution in Counterparts. This Amendment No. 1 may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 3.05. Applicable Law. This Amendment No. 1 shall be governed by and construed in accordance with the laws of the State of Maryland.

Section 3.06. Captions. The captions or headings in this Amendment No. 1 are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Amendment No. 1.


Section 3.07. Effectiveness Against City and County. This Amendment No. 1 shall take effect and be enforceable against the City and the County only upon its execution by the City and by the County, and its approval by the Board of Estimates of the City and the board of Estimates of the County.


[Remainder of Page Intentionally Left Blank]  
[Signature Pages Follow]

IN WITNESS WHEREOF, the County has executed this Amendment No. 1 in its corporate name and attested by its duly authorized officers, and the City has caused this Amendment No. 1 to be executed in its corporate name and attested by its duly authorized officers.

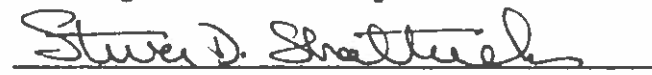
Attest:

Mayor and City Council of  
Baltimore


  
Custodian of City Seal  
~~Attest~~

  
Alfred H. Foxx, Director,  
Department of Public Works

Approved for form  
and legal sufficiency:

  
Steven D. Shattuck  
Special City Solicitor

Approved:  
Board of Estimates

  
Date: JUL 25 1912

IN WITNESS WHEREOF, the County has executed this Amendment No. 1 in its corporate name and attested by its duly authorized officers, and the City has caused this Amendment No. 1 to be executed in its corporate name and attested by its duly authorized officers.

Attest:

Paul R. Culhourn

Harford County, Maryland

By:

David R. Craig  
David R. Craig  
Harford County Executive

Approved for form  
and legal sufficiency:

Margaret Hartka

Margaret Hartka  
Assistant County Attorney

Recommended for approval:

Robert B. Cooper

Robert B. Cooper, P.E.  
Director, Department of  
Public Works

Approved this as to  
financial sufficiency:

Kathryn L. Hewitt

Kathryn L. Hewitt  
Treasurer

Review and concur:

Deborah L. Henderson

Deborah L. Henderson,  
Director of Procurement

Approved:

Harford County Board of Estimates  
by a vote of 6 for and 0 against on  
Date:

Deborah L. Henderson

Deborah L. Henderson, Secretary  
Harford County Board of Estimates

**References**



1980

1960

Honorable Kent L. Schumaker

Kunt

Harford County is currently planning for its future public water needs. In 1992, Harford County, recognizing the importance of adequate public water supplies for social and economic growth, entered into an agreement that provided for the purchase of raw water from Baltimore City. The agreement provided that, in exchange for the payment of a connection fee, the City would sell 20 million gallons per day ("MGID") of raw water to the County. The agreement also included an option, to be exercised on or before July 1, 2010, for the County to purchase an additional 10 MGID of raw water from the City.

accordance with the terms of the agreement and specifically paragraphs 5 and 19 therein, Hartford County hereby formally exercises its option to purchase the additional 10 MGD of raw water. The agreement provides that the County pay an additional connection charge for the extra water and, furthermore, provides the method for calculating that connection charge. Please provide the County with the dollar value of the connection charge, calculated in accordance with the agreement, at your earliest convenience.

members of your staff have any questions, or would like to discuss the purchase further, please have them contact Edward C. Adams, Jr., P.E., at (410) 638-5285.

Very truly yours,

Very truly yours

III dp